



BILL DODD, CHAIR
Napa County and Cities

SCOTT HAGGERTY, VICE CHAIR
Alameda County

TOM AZUMBRADO
*U.S. Department of Housing
and Urban Development*

TOM BATES
Cities of Alameda County

DEAN J. CHU
Cities of Santa Clara County

DAVE CORTESE
Association of Bay Area Governments

DORENE M. GIACOPINI
U.S. Department of Transportation

FEDERAL D. GLOVER
Contra Costa County

ANNE W. HALSTED
*San Francisco Bay Conservation
and Development Commission*

STEVE KINSEY
Marin County and Cities

SUE LEMPert
Cities of San Mateo County

JAKE MACKENZIE
Sonoma County and Cities

JON RUBIN
San Francisco Mayor's Appointee

BIJAN SARTIPI
*State Business, Transportation
and Housing Agency*

JAMES P. SPERING
Solano County and Cities

ADRIENNE J. TISSIER
San Mateo County

AMY WORTH
Cities of Contra Costa County

KEN YEAGER
Santa Clara County

VACANT
City and County of San Francisco

STEVE HEMINGER
Executive Director

ANDREW B. FREMIER
Deputy Executive Director

Bay Area Toll Authority (BATA) MINUTES
December 17, 2008
Lawrence D. Dahms Auditorium
101 8th Street, 1st Floor
Oakland, California

Attendance

Chair Dodd convened the meeting at 1:37 p.m. In addition to Chair Dodd, the following Authority members were in attendance: Tom Bates, Dean Chu, Dave Cortese, Dorene Giacopini, Federal Glover, Anne Halsted, Steve Kinsey, Sue Lempert, Jon Rubin, Bijan Sartipi, Jim Sperring, Adrienne Tissier, Amy Worth, Ken Yeager, and Vice Chair Scott Haggerty.

Consent Calendar

The Authority unanimously approved the following item on the Consent Calendar:

- Minutes of the November 26, 2008 Authority meeting.
- Resolution No. 51, Revised, – Reauthorization of BATA Debt Policy
BATA Oversight Chair Kinsey, requested the Authority to approve BATA Resolution No. 51, Revised, which clarified the counterparty's credit rating requirements at the time the transaction is executed. The Authority unanimously approved BATA Resolution No. 51. Revised, as requested.

Resolution No. 79, Revised, allocates \$17.0 million in seismic Retrofit Program funds to the San Francisco-Oakland Bay Bridge West Approach Seismic Replacement Project.
BATA Oversight Chair Kinsey, requested the Authority to approve BATA Resolution No. 79, Revised, which allocates \$17.0 million in toll bridge seismic retrofit funds to the San Francisco-Oakland Bay Bridge West Approach Seismic Replacement project for additional costs to close out the project. The Authority unanimously approved BATA Resolution No. 79, Revised, as requested.

JOSEPH P. BORT METROCENTER | 101 EIGHTH STREET | OAKLAND, CA 94607-4700

TEL 510.817.5700 | TTY/TDD 510.817.5769 | FAX 510.817.5848 | E-MAIL info@mtc.ca.gov | WEB www.mtc.ca.gov

Dumbarton and Antioch Bridge Seismic Evaluation and Toll Bridge Funding Strategy

Mr. Steve Heminger, Executive Director, began the presentation of the findings from the seismic analysis of the Dumbarton and Antioch Bridges and the review of potential funding options for the toll bridge program by introducing John Barna, Executive Director, California Transportation Commission and Rick Land, Chief Engineer, California Department of Transportation. Mr. Barna stated that Toll Bridge Program Oversight Committee (TBPOC) has been well briefed on the seismic requirements for the Antioch and Dumbarton Bridges and that the TBPOC supports folding into its current efforts the retrofit of those structures.

Mr. Land presented an overview of the findings of the ongoing seismic evaluation of the Dumbarton and Antioch Bridges. As part of a regular re-evaluation of bridge structures, over the past 3 years, Caltrans has been conducting seismic evaluations of the Antioch and Dumbarton Bridges. In November 2008, the recommended retrofit strategy and cost estimates for retrofitting the two bridges was reviewed with the TBPOC. A major aspect of the retrofit strategy for both bridges includes the installation of isolation bearings to protect the piers and foundations and strengthening of the superstructure and substructures. The estimated cost of the retrofit totals approximately \$950 million (\$637 million for the Dumbarton Bridge and \$313 million for the Antioch Bridge). The estimated project cost reflects cost escalation over the past several years, advances in earthquake engineering over the past 25 years, mitigations since the work is in sensitive Bay habitats, and substantial contingencies. It is expected that construction for the projects will begin in 2010 and be completed by 2013.

Mr. Heminger, presented an overview of potential funding options for the toll bridge program. There are three main reasons that necessitate the need for the generation of added toll revenues: 1) seismic retrofit of the Antioch and Dumbarton Bridges, 2) decreases in traffic on the bridges, and 3) increases in BATA's debt costs. Traffic on the bridges has decreased over the past 4 years due to economic factors, increases in gas prices and construction activities on the bridges over the past several years. As a result of the reduction in toll paying traffic, it is estimated that annual revenues will be about \$30 million less than was estimated in BATA's 2005 financial model. Additionally, due to the state of the current financial markets, it is expected that the cost of issuing debt will substantially increase. It is currently assumed that BATA's debt portfolio will rely on an increased share of traditional fixed rate bonds at higher interest rates that have been previously obtained. As a result, it is estimated that increased debt costs will account for about \$35 million in added annual cost from estimated in the 2005 financial model.

The strategy to cover these increased costs includes pursuing operating cost savings, seeking alternative funding sources and examining toll revenue options. Based on a review of toll rates in other major metropolitan areas, it was found that BATA's toll rates for autos and trucks is on the lower side. Also, it is found that BATA is one of a couple toll agencies that allows toll free passage for carpools. To meet estimated revenue requirements, the toll revenue options

presented include a \$1.00 increase for two-axle vehicles and a combination of toll rate increases for carpools and multi-axle vehicles. The next steps in regard to implementing a funding strategy include developing a legislative strategy for the funding of the retrofit for the Antioch and Dumbarton Bridges and BATA obtaining the required authority to implement measures related cost savings and increasing revenue generations.

In response to questions, Mr. Heminger and Mr. Land responded as follows:

- To charge carpools on the bridges, it is likely that all carpools will be required to have a FasTrak[®] toll tag, which would ensure that vehicles would not need to stop to pay tolls and that the Authority currently has the ability to charge for carpools.
- The idea of a charge for carpools is based on the fact that the seismic retrofit of the bridges are to provide safety for all bridge users, which includes carpools.
- The legislative strategy presented does include the examination of providing BATA with Regional Measure authority, which would allow for the funding of other transportation projects and includes looking again at the concept of congestion pricing.
- The significant mitigation costs in the cost estimate for the bridge retrofits is due to work near and above the Bay and is likely to include the construction of temporary trestles in the Bay that may have impact on marine life.

Public Comment/Other Business/Next Meeting/Adjournment

There being no further business, Chair Dodd adjourned the meeting at 3:04 p.m.